Form (2)
Sr.No. 5852
Dated 10.6.2014

THE REPUBLIC OF THE UNION OF MYANMAR
The Myanmar Investment Commission

# PERMIT

Permit No. 738 / 2014 Date 10 , June 2014

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub - section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. FUMIHIKO KONISHI

(b) Citizenship JAPANESE

(c) Address VILLA PRIMAVERA 51 JALAN JESSELTON 10450 PENANG

(d) Name and Address of Principal Organization TEXCHEM FOOD SDN.BHD. LEVEL 18, MENARA BOUSTEAD PENANG, 39, JALAN SULTAN AHMAD SHAH, 10050 PENANG, MALAYSIA.

(e) Place of incorporation MALAYSIA

(f) Type of business in which investment is to be made MANUFACTURING AND MARKETING OF VALUE-ADDED PRODUCTS (VAP) AND CONTRACT PROCESSING (CP) OF SEA FOOD

(g) Place(s) at which investment is permitted PLOT NO. 307 / 366 (KA) & 307 / 420 (KHA), INLAY MYAING INDUSTRIAL ZONE, MYEIK TAUNG VILLAGE TRACT, MYEIK TOWNSHIP, TANINTHAYI REGION.

(h) Amount of foreign capital US$ 1.530 MILLION

(I) Period for bringing in foreign capital WITHIN 1 YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) 1654.100 MILLION ( INCLUDING US$ 1.530 MILLION)

(k) Construction period 6 MONTHS

(l) Permitted duration of investment 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of the economic organization to be formed in Myanmar TEXCHEM FOOD (MYANMAR) LIMITED

Exchange Rate 973

Chairman
The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

# ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၇၃၈/၂၀၁၄ ၂၀၁၄ ခုနှစ် ဇွန်လ 20 ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃၊ ပုဒ်မခွဲ (ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) **ကမကထပြုသူ၏အမည်** MR. FUMIHIKO KONISHI

(ခ) **နိုင်ငံသား** JAPANESE

(ဂ) **နေရပ်လိပ်စာ** VILLA PRIMAVERA 51 JALAN JESSELTON 10450 PENANG

(ဃ) **ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ** TEXCHEM FOOD SDN. BHD. LEVEL 18, MENARA BOUSTEAD PENANG, 39, JALAN SULTAN AHMAD SHAH, 10050 PENANG, MALAYSIA.

(င) **ဖွဲ့စည်းရာအရပ်** MALAYSIA

(စ) **ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား** ပင်လယ်ရေထွက် ကုန်ပစ္စည်းများကို တန်ဖိုးမြှင့် ကုန်စည်အဖြစ် ထုတ်လုပ်ခြင်းနှင့် လက်ခစားစနစ်ဖြင့် ထုတ်လုပ်ခြင်းလုပ်ငန်း

(ဆ) **ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ)** အကွက်အမှတ် ၃၀၇/၃၆၆(က)၊ ၃၀၇/၄၂၀(ခ)၊ အင်းလေးမြိုင်စက်မှုဇုန်၊ မြိတ်တောင်ကျေးရွာ၊ မြိတ်မြို့နယ်၊ တနင်္သာရီတိုင်းဒေသကြီး

(ဇ) **နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ** အမေရိကန်ဒေါ်လာ ၁.၅၃၀ သန်း

(ဈ) **နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ** ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး ၁ နှစ် အတွင်း

(ည) **စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်)** ၁၆၅၄.၁၀၀ သန်း (အမေရိကန်ဒေါ်လာ ၁.၅၃၀ သန်း အပါအဝင်)

(ဋ) **တည်ဆောက်မှုကာလ** ၆ လ

(ဌ) **ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း** ၅၀ နှစ်

(ဍ) **ရင်းနှီးမြှုပ်နှံမှုပုံစံ** ဖက်စပ် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) **မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည်** TEXCHEM FOOD (MYANMAR) LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

of the Union of Myanmar
Sr.No..................
Dated..................
Myanmar Investment Commission

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref: DICA-1/FI-959/ 2014( 5862 )
Date: 10 June 2014

Tel: 067- 406334, 406075
Fax: 95 - 67 - 406333

**Subject :** **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Value-Added Products (VAP) and Contract Processing (CP) of Sea Food" under the name of Texchem Food (Myanmar) Limited.**

Reference: Texchem Food (Myanmar) Limited Letter dated 3-2-2014

1. The Myanmar Investment Commission, at its meeting ( 14 / 2014 ) held on (14-5-2014) had approved the proposal for investment in "Manufacturing and Marketing of Value-Added Products (VAP) and Contract Processing (CP) of Sea Food" under the name of "Texchem Food (Myanmar) Limited " submitted as a joint venture between Texchem Food Sdn. Bhd. (90%) from Malaysia and Mascot Industries Co., Ltd. (10%) from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be initial 50 (Fifty) years commencing from the date of signing of the Lease Agreement for land and building extendable for 10 (ten) years two terms periods by mutual agreement between Mascot Industries Co., Ltd. and Texchem Food (Myanmar) Limited.

4. The annual rent for the land shall be Kyats 47,723,649 calculated at the rate of Kyats 2,919 per square metre of leased land and building area of 4.04 acres (16,349.3144 square metres). The rate of rent shall be revised in view of prevailing land lease rates after 5(five) years period and increase of the rent shall not be more than 5% of the preceding annual rent.

5. Since it was recorded that Mascot Industries Co., Ltd. operated under Myanmar Citizens Investment Law had started the commercial operation with effect from the date 1st March 2000, the period of 36 (thirty six) consecutive months starting from the month of commencement of commercial operation to enjoy privileges for income tax exemption as stipulated in section 21 (a) of the Foreign Investment Law (1988) was expired on 28th February 2003. In this regards, Texchem Food (Myanmar) Limited shall have no right to enjoy the tax exemption conferred by Foreign Investment Law.

6. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per Chapter XII, section 27(h) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during the period of construction of business;

(b) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

7. Mascot Industries Co., Ltd. shall have to sign the Lease Agreement for land and building with Texchem Food (Myanmar) Limited and Joint Venture Agreement with Texchem Food Sdn. Bhd. After signing such Agreements, each of (5) copies shall have to be forwarded to the Commission.

8. Texchem Food (Myanmar) Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

9. Texchem Food (Myanmar) Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

10. Texchem Food (Myanmar) Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

11. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of the construction period shall not be allowed more than one except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

12. As per Chapter X, Rule 63 of the Foreign Investment Rules, if Texchem Food (Myanmar) Limited cannot construct completely in time the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

13. The commercial date of operation shall be reported to the Commission.

14. Texchem Food (Myanmar) Limited shall endeavour to meet the targets for production stated in the proposal as the minimum target.

15. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and section 25 of Foreign Investment Law and the Texchem Food (Myanmar) Limited has to follow the existing Labour Law for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

16. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section 2(i) of the said Law, other than foreign currency.

17. Texchem Food (Myanmar) Limited brings in foreign capital defined under section 2(i) of the said Law, other than foreign currency in the manner stated in paragraph 16(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

18. Texchem Food (Myanmar) Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient documents in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

19. Texchem Food (Myanmar) Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

20. Texchem Food (Myanmar) Limited shall abide by the existing fisheries rules and regulation of Department of Fisheries, Ministry of Livestock, Fisheries and Rural Development for importation of raw materials and for export.

21. Texchem Food (Myanmar) Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry and be abided by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

22. Texchem Food (Myanmar) Limited shall contribute 2% of annual net profit for Corporate Social Responsibility (CSR) activities in Myanmar.

23. After getting permit from Myanmar Investment Commission, Texchem Food (Myanmar) Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

24. Texchem Food (Myanmar) Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments.

25. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in kyat currency and US$ or from export earnings of Texchem Food (Myanmar) Limited.

26. Texchem Food (Myanmar) Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Texchem Food (Myanmar) Limited

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Taninthayi Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance
5. Ministry of Commerce
6. Ministry of Industry
7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Livestock, Fisheries and Rural Development
10. Ministry of Immigration and Population
11. Ministry of Labour, Employment and Social Security

12. Ministry of Environmental Conservation and Forestry
13. Ministry of Electric Power
14. Director General, Directorate of Investment and Company Administration
15. Director General, Directorate of Human Settlement and Housing Development
16. Director General, Directorate of Industrial Supervision and Inspection
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Director General, Directorate of Trade
24. Director General, Immigration and National Registration Department
25. Director General, Directorate of Labour
26. Director General, Department of Environmental Conservation
27. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)